



## ANNUAL SHORT REPORT

BLACKROCK CASH FUND

**BLACKROCK®**

For the period from 16 March 2013  
to 28 February 2014

# BlackRock Cash Fund

## Changes in accounting and income allocation dates

As communicated in a letter to investors dated 28 May 2013, the Manager has changed the Fund's annual and interim accounting dates to the last day of February and 31 August respectively in order to consolidate the publication of annual and interim reports. This annual short report covers the shortened reporting period from 16 March 2013 to 28 February 2014. The period from 16 March 2013 to 31 August 2013 was commented on in the interim report to 31 August 2013. Additionally, the Fund's income allocation dates have changed. For further information, please refer to the most recent Prospectus.

## Summary of Performance over the Period

The BlackRock Cash Fund's performance was flat\* over the period from 16 March 2013 to 28 February 2014, underperforming its benchmark, the 7-day Sterling LIBID rate, which was up by 0.3%. Over the six-month period to 28 February 2014, the Fund was flat\*, underperforming the benchmark, which rose by 0.2%.

## Fund Manager's Commentary

The Bank of England's (BoE) Monetary Policy Committee (MPC) left its key interest rate at 0.5% and maintained asset purchases at £375bn throughout the period. Improved UK economic data had fuelled speculation about a possible reduction in central bank's ultra-accommodative monetary policy. However in February, the MPC said that it saw no immediate need to raise rates and will do so gradually.

Despite the improvement in data, Sterling money market yields were broadly unchanged during the period, with the market not currently pricing in rate rises until 2015.

During the period, the weighted average maturity of the Fund was maintained at around 50 days and the weighted average life at above 100 days.

The main activity was concentrated in purchases of high quality bank issues in the 3-month maturity range, although we did make some 1-year investments in floating rate notes issued by our most preferred banks, such as Rabobank and HSBC. We were also buyers of asset-backed commercial papers supported by systemically important banks from our approved list.

The Fund ended the period with approximately 10% in overnight liquidity and 40% in sub 1-month maturities.

The BoE's February inflation report highlighted that weaker inflation data reduces the chance of a near-term interest rate hike even further. Despite this, UK economic data continues to be strong and this could put pressure on the BoE to act earlier. We regard it as unlikely that there will be any action to raise interest rates in 2014 but money market rates could be sensitive to data releases.

## March 2014

\* Performance figures quoted are based on offer-to-bid dealing prices (the price at which units are sold) prior to April 2004 and on bid-to-bid dealing prices from April 2004 onwards. Performance figures are not the same as the net asset value reported in the financial statements which is at close of business. Performance is calculated net of fees (after fees waived) and reported for the Fund's class A Accumulation Units.

Due to many money-market investments available for investment by the Fund exhibiting low yields, BlackRock Fund Managers Limited has agreed to reduce management fees collected from the Fund by the amount required to maintain the capital value of units in issue on each business day. Until yields increase, the Fund may not receive sufficient income to be in a position to announce and pay distributions.

## Distributions Payable

A Income	The final distribution payable on 30 April 2014 is 0.0000p net per income unit (15 May 2013: Nil).
A Accumulation	The final accumulation distribution payable on 30 April 2014 is 0.0000p net per accumulation unit (15 May 2013: Nil).
D Income	The final distribution payable on 30 April 2014 is 0.0505p net per income unit (15 May 2013: 0.0385p net per income unit).
D Accumulation	The final accumulation distribution payable on 30 April 2014 is 0.1160p net per accumulation unit (15 May 2013: 0.0792p net per accumulation unit).

# Performance Record

## Capital (Unit Prices)

Calendar Year	A Income Units		A Accumulation Units		D Income Units <sup>#</sup>		D Accumulation Units <sup>#</sup>	
	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p
2014*	100.5	100.4	237.3	237.2	100.5	100.4	238.7	238.4
2013	100.5	100.4	237.3	237.1	100.5	100.3	238.6	238.0
2012	100.5	100.4	237.2	236.8	100.6	100.4	238.1	237.1
2011	100.5	100.4	236.9	236.4	100.5	100.4	237.2	236.6
2010	100.6	100.4	236.5	236.0	N/A	N/A	N/A	N/A
2009	101.2	100.4	236.3	234.6	N/A	N/A	N/A	N/A

\* To 28 February. <sup>#</sup> D Income and D Accumulation classes commenced June 2011.

## Income (Net Distributions/Net Accumulations)

Calendar Year	A Income Units Per Unit p	A Accumulation Units Per Unit p	D Income Units <sup>#</sup> Per Unit p	D Accumulation Units <sup>#</sup> Per Unit p
2014*	0.0000	0.0000	0.0655	0.2005
2013	0.0056	0.0132	0.1753	0.3489
2012	0.1206	0.2840	0.2728	0.7041
2011	0.1985	0.4625	0.1576	0.3747
2010	0.1624	0.3816	N/A	N/A
2009	1.1578	2.6984	N/A	N/A

\* To 30 April. <sup>#</sup> D Income and D Accumulation classes commenced June 2011.

## Unit Price Summary

	Unit Price as at 28 February 2014	Unit Price as at 15 March 2013
A Income Units	100.4p	100.4p
A Accumulation Units	237.2p	237.1p
D Income Units	100.4p	100.4p
D Accumulation Units	238.5p	238.1p

# Fund Information

## Summary of Investment Objective and Policy

The BlackRock Cash Fund (the “Fund”) aims to achieve a competitive rate of interest, principally from a portfolio of Sterling denominated cash, deposits and money-market instruments. The Fund will be actively managed. The Fund is a short term money-market fund and as such it is not recommended for investors seeking long-term capital growth.

## Risk Profile

The Fund is exposed to changes in interest rates and credit worthiness of the underlying security issuers.

## Fund Facts

Fund Manager*	Bea Rodriguez
Establishment Date	8 March 1990
Benchmark	7-day Sterling LIBID
Assets Under Management	£571,646,236
Income Allocation Dates	31 January, 30 April, 31 July & 31 October
Accounting Dates	Last day of February & 31 August

\* The former manager, Stuart Niman relinquished his fund management responsibilities for the BlackRock Cash Fund in February 2014.

## Ongoing Charges

The ongoing charges figures are based on expenses for the relevant period. These figures may vary from year to year.

Unit Class	16.3.2013 to 28.2.2014†	16.3. 2012 to 15.3.2013
A Income	0.57%	0.58%
A Accumulation	0.57%	0.58%
D Income	0.32%	0.33%
D Accumulation	0.32%	0.33%

† Ongoing charges figures are based on annualised expenses for the period ended 28 February 2014.

## Risk and Reward Profile

	Lower risk Typically lower rewards							Higher risk Typically higher rewards	
	←							→	
A Income	1	2	3	4	5	6	7		
A Accumulation	1	2	3	4	5	6	7		
D Income	1	2	3	4	5	6	7		
D Accumulation	1	2	3	4	5	6	7		

The risk indicator was calculated incorporating historical or simulated historical data and may not be a reliable indication of the future risk profile of each unit class. The risk category shown is not guaranteed and may change over time. The lowest category does not mean risk free. For more information on this, please see the Fund’s Key Investor Information Documents (KIID)s, which are available at [www.blackrock.com](http://www.blackrock.com). During the period, the risk indicator of the A Income and D Income unit classes changed from 2 to 1 due to a decline in market volatility

# Portfolio Information

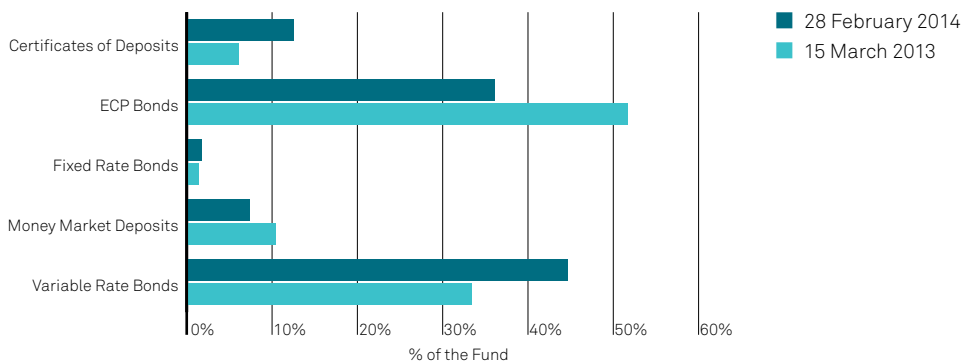
## Five Largest Investments at 28 February 2014

	% of Fund Value
Rabobank Nederland 0.68938% Senior European Medium Term Notes 16/1/2015	9.62
ING Bank 0.42% 3/3/2014	7.44
HSBC 0.51938% Senior European Medium Term Notes 16/10/2014	4.89
HSBC Floating Rate Notes 7/3/2014	4.72
Pohjola Bank 0.59% Senior European Medium Term Notes 9/5/2014	3.50

## Five Largest Investments at 15 March 2013

	% of Fund Value
Rabobank Nederland Floating Rate Notes 4/2/2014	9.33
HSBC Bank Floating Rate Notes 7/3/2014	5.65
Lloyds 0.42% 18/3/2013	5.45
ING Bank 0.4% 18/3/2013	4.95
Regency Assets 0% 28/3/2013	4.25

## Classification of Investments



All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed. Changes in exchange rates may cause the value of an investment to fluctuate. For up-to-date prices and performance, please visit our website **blackrock.co.uk**.

Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

### **Report and Accounts**

This report is to inform unitholders on the activities of the Fund during the reporting period, and the results of those activities at the end of the reporting period. For more information please contact the Manager. Copies of the Full Reports are available free of charge upon request from the BlackRock Investor Services Team on **0800 44 55 22**.

You can obtain further information on this Fund by contacting your Financial Adviser. Alternatively, for more details on this and other BlackRock® Funds, including up to date prices and performance, please contact BlackRock Investor Services on 0800 44 55 22 or visit [blackrock.co.uk](https://blackrock.co.uk). For your protection, telephone calls are usually recorded. This Report relates to the packaged products of, and is issued by, the Manager and Registrar: BlackRock Fund Managers Limited, 12 Throgmorton Avenue, London EC2N 2DL. Authorised and regulated by the Financial Conduct Authority. Registered in England No. 1102517. Trustee: BNY Mellon Trust & Depositary (UK) Limited, 160 Queen Victoria Street, London EC4V 4LA. Authorised and regulated by the Financial Conduct Authority. Auditor: Ernst & Young LLP, 1 More London Place, London SE1 2AF.

### **For more information**

0800 44 55 22

[blackrock.co.uk](https://blackrock.co.uk)

**BLACKROCK®**